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## REPORT

CD NO.

DATE OF INFORMATION 1950

DATE DIST. // Jul 1951

NO. OF PAGES 2

SUPPLEMENT TO  
REPORT NO.

THIS IS UNEVALUATED INFORMATION

DISCUSSES POLISH LIQUIDATION OF GERMAN PROPERTY

Because of the diversity of problems arising in various parts of the country, a final decision regarding the evaluation of property belonging to German nationals and ethnic Germans has been delayed. The regulations concerning them have frequently changed. The basic decree of 8 March 1946, governing abandoned German property has been rewritten repeatedly (Dziennik Ustaw, No 13, Item 87). The decree provides that former German property shall pass into the de jure possession of the Polish State. Administration of the properties referred to has been assigned to the liquidation offices under the jurisdiction of the Minister of Finance.

The liquidation offices also administer the property of ethnic Germans, i.e., Polish nationals who declared their allegiance to Germany during the war and whose assets have not been returned.

Practices governing the management of properties still under the control of the liquidation offices are not uniform. The implementation directives promised in connection with the decree of 8 March 1946 have not yet been issued. Thus, a provisional ruling had to be passed by the Chairman of the Polish Council of Ministers of 11 July 1946 pertaining to the utilization of abandoned property and German assets. (Dziennik Ustaw, No 113, Item 206).

The law of 30 January 1948 was another attempt at a partial ruling governing the conversion to state ownership of certain types of property (Dziennik Ustaw, No 10, Item 75). However, this law contributed little to the clarification of this complex problem.

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The current situation is as follows: The large German enterprises -- insofar as they have been reactivated -- have been subordinated to the central administrations of the industries or to the directorates of the local industries. Most of the small German enterprises have been rented out by the liquidation offices or turned over (against payment) to former administrative commissars and other private individuals. In recent years, enterprises have also been taken over by cooperatives. A number of destroyed business properties have not been used, since no one wanted to take them over, and the actual management of such establishments does not come under the jurisdiction of the liquidation offices. Most residential buildings formerly owned by Germans are now under communal administration.

The resolution of the Polish Council of Ministers of 10 March 1950 and a decree issued by the Ministry of Finance on 27 April 1950, governing the management of various types of property under the control of the liquidation offices, clarified the question of jurisdiction in the administration of real estate which had been turned over to the communities. Under this decree all improved real estate is to be transferred to the community administrations. The Minister of Communal Economy may remove various parcels of real property from communal administration and transfer them to corporate bodies or social organizations.

Committees of experts set up by the liquidation offices decide whether or not an enterprise is to be utilized in the planned economy. If so, the liquidation offices offer such enterprises to private business. Obsolete equipment is dismantled and scrapped. Former German pharmacies and stocks of pharmaceuticals are not subject to this regulation; they must be turned over to the Centrosan Purchasing Office.

Presumably the claims of ethnic Germans will be dealt with according to general principles, since discrimination against those who have been "verified" has been lifted and they are accorded the same status as Polish nationals.

By a decree of the Council of Ministers dated 3 June 1950 (Dziennik Ustaw, No 26, Item 234), real estate expropriated by the state is classed either as "privileged" or "capitalistic." The law sets up varying indemnities for these two types of property. The "privileged" group comprises small and medium-sized farms, private homes, nurseries, buildings of up to ten rooms, etc. The "capitalistic" group includes farm buildings worth in excess of 100,000 zlotys at the current rate of exchange and urban houses of more than ten rooms. The scale of taxation is dependent on the type of property, the purpose it serves, the social status of the owner, and the size of the expropriated property.

Indemnities up to 5,000 zlotys are payable within 6 months; larger amounts will be paid in monthly installments of 250-500 zlotys. Advance payments may be arranged if the amount thus received is to be used for building houses of up to ten rooms or for the purchase of farms, or in the event of economic hardships.

According to Przegląd Ustawodawstwa Gospodarczego, the decree aims at the liquidation of capitalist elements in all spheres of the economy.

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